



**DIVISION OF INVESTMENT
DEPARTMENT OF THE TREASURY
STATE OF NEW JERSEY
CASH MANAGEMENT FUND**

Financial Statements, Management's Discussion and Analysis and
Supplemental Schedule

June 30, 2017 and 2016

(With Independent Auditors' Report Thereon)

**DIVISION OF INVESTMENT
DEPARTMENT OF THE TREASURY
STATE OF NEW JERSEY**

Cash Management Fund

June 30, 2017 and 2016

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Independent Auditors' Report

The Members
State Investment Council,
Division of Investment,
Department of the Treasury,
State of New Jersey:

Report on the Financial Statements

We have audited the accompanying statements of net position of the State of New Jersey Cash Management Fund (the Fund) as of June 30, 2017 and 2016, and the related statements of changes in net position for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with U.S. generally accepted accounting principles; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Fund as of June 30, 2017 and 2016, and the changes in its net position for the years then ended in accordance with U.S. generally accepted accounting principles.



Emphasis of Matter

The Fund

As discussed in Note 1, the financial statements of the Fund are intended to present the financial position and the changes in net position that is attributable to the transactions of the Fund. They do not purport to, and do not, present fairly the financial position of the State of New Jersey as of June 30, 2017 and 2016, the changes in its financial position, or, where applicable, its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

U.S. generally accepted accounting principles require that the Management's Discussion and Analysis, on pages 3 through 4, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit for the year ended June 30, 2017 was conducted for the purpose of forming an opinion on the basic financial statements. The supplementary information included in the Schedule of Portfolio of Investments is presented for purposes of additional analysis and is not a required part of the basic financial statements. The Schedule of Portfolio of Investments is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Portfolio of Investments is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

KPMG LLP

September 22, 2017

**DIVISION OF INVESTMENT
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Management's Discussion and Analysis

June 30, 2017 and 2016

Introduction

This section of the financial statements of the State of New Jersey Cash Management Fund (the Fund) presents our discussion and analysis of the Fund's financial position as of June 30, 2017 and 2016. Since this discussion and analysis is designed to focus on current activities, it should be read in conjunction with the Fund's basic financial statements, which follow this section.

Financial Statements

The Fund's basic financial statements include statements of net position and statements of changes in net position, which have been presented in accordance with accounting principles generally accepted in the U.S. as applicable to governmental entities.

The statements of net position provide information on the financial position of the Fund at year-end. The statements of changes in net position present the results of investment activities during the fiscal year. The notes to the financial statements offer additional discussion that is essential to the full understanding of the data presented in the financial statements. The notes give more detail about accounting policies, significant account balances and activities, material risks, obligations, contingencies and subsequent events, if any.

Condensed Financial Information

The statements of net position present the assets, liabilities and net position (assets minus liabilities) of the Fund as of the end of the fiscal year and are point in time financial statements.

The statements of net position are comprised of the following major components:

<i>(in millions)</i>	June 30		
	2017	2016	2015
Assets:			
Cash and cash equivalents	\$ —	280	240
Receivables	12	7	4
Investments	<u>14,323</u>	<u>11,565</u>	<u>11,631</u>
Total assets	<u>14,335</u>	<u>11,852</u>	<u>11,875</u>
Total liabilities	<u>—</u>	<u>3</u>	<u>—</u>
Net position	<u>\$ 14,335</u>	<u>11,849</u>	<u>11,875</u>

The Fund is available on a voluntary basis to participants. The net position of the Fund will therefore fluctuate based on the level of such participation. Receivables include interest receivable and cash received which has not yet been invested or credited to the respective participants' accounts. Liabilities include accruals for administrative expense and reserve fund fees not yet remitted and cash received which had not yet been invested or credited to the respective participants' accounts.

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Changes in net position from year to year are presented in the statements of changes in net position. The purpose of this statement is to present the net investment income earned by the Fund as well as the contributions from and distributions to participants. A summary follows:

<i>(in millions)</i>	Year ended June 30		
	2017	2016	2015
Net investment income	\$ 78	39	15
Administrative expenses and reserve fund fees	(2)	(2)	(2)
Net earnings distributed to participants	(82)	(35)	(14)
Increase (decrease) in net position resulting from unit transactions	<u>2,492</u>	<u>(28)</u>	<u>241</u>
Increase (decrease) in net position	2,486	(26)	240
Net position, beginning of year	<u>11,849</u>	<u>11,875</u>	<u>11,635</u>
Net position, end of year	<u>\$ 14,335</u>	<u>11,849</u>	<u>11,875</u>

Average Daily Rate (Annualized):

State participants	0.61%	0.31%	0.13%
Other-than-State participants	0.56%	0.24%	0.06%

During fiscal years ended June 30, 2017 and 2016, the net position increased by \$2.5 billion (21%) and decreased by \$26 million (-.2%), respectively, primarily due to participant contributions and withdrawals, which are at the discretion of the participants. Factors which may impact participation include availability of participant funds and the relative attractiveness of rates compared to those available for direct investment by the participant in the marketplace.

Beginning in December 2015 the Federal Reserve Open Market Committee has raised the target range for the federal funds rate from a range of 0.25% - 0.5% to a range of 1.00% to 1.25%. These increases caused an increase in the short term rates available in the marketplace, resulting in higher returns for fiscal 2017 and 2016. The Other-than-State participants' return is reduced by the Reserve Fund Fee and the proportionate share of gain on investment transactions realized in the Fund which is credited to the Reserve Fund.

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Statements of Net Position

June 30, 2017 and 2016

	<u>2017</u>	<u>2016</u>
Assets:		
Cash and cash equivalents	\$ 34,765	279,927,426
Receivables	11,466,915	7,885,969
Investments	<u>14,323,259,444</u>	<u>11,564,913,002</u>
Total assets	<u>14,334,761,124</u>	<u>11,852,726,397</u>
Liabilities:		
Administrative expenses	728	2,979
Reserve fund fee	5,867	596
Advance Participant Deposits	<u>1,173</u>	<u>3,314,183</u>
Total liabilities	<u>7,768</u>	<u>3,317,758</u>
Net position	<u>\$ 14,334,753,356</u>	<u>11,849,408,639</u>

See accompanying notes to financial statements.

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Statements of Changes in Net Position

June 30, 2017 and 2016

	<u>2017</u>	<u>2016</u>
Additions:		
Net investment income:		
Interest and net realized gains	\$ 54,439,312	23,822,053
Net appreciation in fair value of investments	23,796,564	15,315,467
Net investment income	<u>78,235,876</u>	<u>39,137,520</u>
Deductions:		
Administrative expenses and reserve fund fees	2,354,829	1,683,335
Net earnings distributed to participants	82,343,453	34,799,840
Total deductions	<u>84,698,282</u>	<u>36,483,175</u>
Unit transactions:		
State participants:		
Deposits	49,811,733,550	49,112,274,684
Reinvestment of distributions	59,523,144	27,992,058
Cost of units redeemed	(49,481,451,056)	(48,761,437,287)
	<u>389,805,638</u>	<u>378,829,455</u>
Other-than-State participants:		
Deposits	7,028,424,136	4,699,543,151
Reinvestment of distributions	22,820,179	6,812,187
Cost of units redeemed	(4,949,242,830)	(5,113,664,085)
	<u>2,102,001,485</u>	<u>(407,308,747)</u>
Increase (decrease) in net position resulting from unit transactions	<u>2,491,807,123</u>	<u>(28,479,292)</u>
Increase (decrease) in net position	2,485,344,717	(25,824,947)
Net position as of beginning of year	<u>11,849,408,639</u>	<u>11,875,233,586</u>
Net position as of end of year	<u>\$ 14,334,753,356</u>	<u>11,849,408,639</u>

See accompanying notes to financial statements.

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Notes to Financial Statements

June 30, 2017 and 2016

(1) Organization

The Division of Investment, Department of the Treasury, State of New Jersey (the Division) manages and invests certain assets of various funds, divisions, agencies and employees of the State of New Jersey (the State) in various groups of funds, such as the Cash Management Fund and the Pension Fund. The accompanying financial statements represent the State of New Jersey Cash Management Fund (the Fund) which is available on a voluntary basis for investment by State and certain "Other-than-State" participants. "Other-than-State" participants include counties, municipalities and school districts, and the agencies or authorities created by any of these entities. The Fund is considered to be an investment trust fund as defined in Governmental Accounting Standards Board (GASB) Statement No. 31. The operations of this Fund are governed by the provisions of State Investment Council ("Council") Regulations for the purpose of determining authorized investments for the Fund.

The Fund is not a legally separate entity within the State of New Jersey. The net position managed by the Division is included in the financial statements of the State.

These financial statements present only the Fund and do not purport to, and do not present fairly the financial position of the State of New Jersey as of June 30, 2017 and 2016, and the changes in its financial position for the years then ended in conformity with U.S. generally accepted accounting principles.

(2) Summary of Significant Accounting Policies

Measurement Focus and Basis of Accounting

The financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Under this method, revenues (additions) are recorded when earned and expenses (deductions) are recorded at the time liabilities are incurred, regardless of when the related cash flow takes place.

Fair Value Measurements

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between independent market participants at the measurement date. Inputs refer broadly to the assumptions that market participants would use in pricing the asset or liability, including assumptions about risk. Inputs may be observable or unobservable. Observable inputs are inputs that reflect the assumptions market participants would use in pricing the asset or liability developed based on market data obtained from sources independent of the reporting entity. Unobservable inputs are inputs that reflect the reporting entity's own assumptions about the assumptions market participants would use in pricing the asset or liability developed based on the best information available in the circumstances. The three levels of the fair value hierarchy are as follows:

Level 1 – Quoted prices are available in active markets for identical investments as of the reporting date.

Level 2 – Pricing inputs are other than quoted prices in active markets, which are either directly or indirectly observable as of the reporting date, and fair value is determined through the use of models or other valuation methodologies.

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Level 3 – Pricing inputs are unobservable for the investment and inputs into the determination of fair value require significant management judgment or estimation, including assumptions about risk.

Investment Transactions

Investment transactions are accounted for on a trade date basis. Gains and losses from investment transactions are determined by the first in, first out method. Interest income is recorded on the accrual basis.

Administrative Expenses

Expenses of the Fund are paid by the Department of the Treasury of the State of New Jersey and are partially offset by the administrative expense fees collected from the “Other-than-State” participants (see Note 7). No operating expenses are allocated to the Fund.

Reserve Fund Fees

Other-than-State participants pay a fee of one hundredth of one percent (0.01%) per year of the value of the aggregate units owned by them to a Reserve Fund (See Note 7).

(3) Investments

New Jersey State statutes provide for a Council and a Director. Investment authority is vested in the Director of the Division and a role of the Council is to formulate investment policies. The Council issues regulations which establish guidelines for permissible investments which include obligations of the U.S. Treasury and government agencies, Canadian government and provinces and corporations. Such investments may be in the form of fixed income securities, commercial paper, certificates of deposit, repurchase agreements and money market funds. Canadian and corporate obligations must be payable in United States dollars.

Investments are reported at fair value as follows:

U.S. Government, Agency and corporate obligations and commercial paper are valued using an evaluated price which is based on a compilation of primarily observable market information or broker quotes in a non-active market. These investments are included as Level 2 in the charts below.

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Certificates of deposit are valued at cost, are held to maturity and have been excluded from the fair value hierarchy.

		Fair Value Measurements Using		
		Quoted Prices in Active Market for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
	June 30, 2017			
(000's)				
Investments measured at fair value:				
U.S. Government and Agency obligations	\$ 10,234,830	—	10,234,830	—
Commercial paper	1,800,185	—	1,800,185	—
Corporate obligations	616,358	—	616,358	—
Subtotal	12,651,373	—	12,651,373	—
Investments measured at cost:				
Certificates of deposit	1,671,886			
Total investments	\$ 14,323,259			

		Fair Value Measurements Using		
		Quoted Prices in Active Market for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
	June 30, 2016			
(000's)				
Investments measured at fair value:				
U.S. Government and Agency obligations	\$ 5,186,035	—	5,186,035	—
Commercial paper	4,744,812	—	4,744,812	—
Corporate obligations	79,075	—	79,075	—
Subtotal	10,009,922	—	10,009,922	—
Investments measured at cost:				
Certificates of deposit	1,554,991			
Total investments	\$ 11,564,913			

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The Fund's investments are subject to various risks. Among these risks are custodial credit risk, credit risk, concentration of credit risk and interest rate risk. Each one of these risks is discussed in more detail below.

Custodial credit risk, as it relates to investments, is the risk that in the event of the failure of the custodian, the Fund will not be able to recover the value of investments that are in the possession of the third party. The Fund's investment securities are not exposed to custodial credit risk as they are held in a segregated trust account in the name of the Fund with the custodian.

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The credit risk of a debt instrument is measured by nationally recognized statistical rating agencies such as Moody's Investors Service, Inc. (Moody's), Standard & Poor's Corporation (S&P) and Fitch Ratings (Fitch). Concentration of credit risk is the risk of loss attributed to the magnitude of an investment in a single issuer. There are no restrictions on the amount that can be invested in U.S. Treasury and government agency obligations. Council Regulations require minimum credit ratings for all other categories of fixed income obligations and limit the amount that can be invested in any one issuer or issue.

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At June 30, 2017 and 2016 these credit ratings and limits are as follows:

Category	Minimum rating			Limitation of issuer's outstanding debt	Limitation of issue	Other limitations
	Moody's	S&P	Fitch			
Canadian government obligations (U.S. Dollar denominated)	Aa3	AA-	AA-	25%	25%	Not more than 5% of the Fund can be invested in one issuer.
Certificates of deposit						Split ratings allowable.
Domestic	A3/P-1	A-/A-1	A-/F-1	N/A	N/A	Cannot exceed 10% of issuer's primary capital.
International	Aa3/P-1	AA-/A-1	AA-/F-1	N/A	N/A	Not more than 5% of Fund can be invested in any one issuer and affiliated entities.
Collateralized notes and mortgages	Baa3	BBB-	BBB-	N/A	25%	Not more than 5% of the Fund can be invested in one issue. Not more than 10% of the Fund can be invested in this category. Not more than 5% of the Fund can be invested in any one issuer and affiliated entities.
Commercial paper	P-1	A-1	F-1	N/A	N/A	Split ratings allowable. Not more than 5% of the Fund can be invested in any one issuer and affiliated entities.
Corporate obligations (U.S. Dollar denominated)	Baa3	BBB-	BBB-	10%	N/A	Not more than 5% of the Fund can be invested in any one issuer and affiliated entities.
Money market funds	N/A	N/A	N/A	N/A	N/A	Not more than 10% of the Fund can be invested in money market funds; limited to 5% of shares or units outstanding.
Mortgage Backed Securities	N/A	N/A	N/A	N/A	25%	Not more than 5% of the Fund can be invested in one issue.
Repurchase Agreements:						None
Bank or Trust Company	N/A	N/A	N/A	N/A	N/A	
Broker	P-1	A-1	F-1	N/A	N/A	

N/A – Not applicable

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In addition, the Division sets individual issuer limits for commercial paper, certificates of deposit and other investments. At June 30, 2017 the Fund did not hold investments in any one issuer, excluding investments in U.S. government securities, that exceeded 5% of total investments.

For securities exposed to credit risk in the fixed income portfolio, the following tables disclose the major credit quality rating category:

June 30, 2017 (000's)	Moody's rating (1)							Total
	Aaa	Aa2	A1	A2	A3	Baa3	P-1	
U.S. Government and Agency obligations	\$ 10,234,830	—	—	—	—	—	—	10,234,830
Commercial paper	—	—	—	—	—	—	1,800,185	1,800,185
Certificates of deposit	—	—	—	—	—	—	1,671,886	1,671,886
Corporate obligations	31,087	109,966	157,436	271,455	21,451	24,963	—	616,358
	<u>\$ 10,265,917</u>	<u>109,966</u>	<u>157,436</u>	<u>271,455</u>	<u>21,451</u>	<u>24,963</u>	<u>3,472,071</u>	<u>14,323,259</u>

June 30, 2016 (000's)	Moody's rating (1)			
	Aaa	A1	P-1	Total
U.S. Government and Agency obligations	\$ 5,186,035	—	—	5,186,035
Commercial paper	—	—	4,744,812	4,744,812
Certificates of deposit	—	—	1,554,991	1,554,991
Corporate obligations	14,990	64,085	—	79,075
	<u>\$ 5,201,025</u>	<u>64,085</u>	<u>6,299,803</u>	<u>11,564,913</u>

(1) Short-term issuer ratings (e.g. P-1, A-1, F-1) are used for commercial paper and certificates of deposit.

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Council Regulations provide that the maturities of corporate obligations must be twenty-five months or less. Certificates of deposits are limited to a term of one year or less. Commercial paper maturities cannot exceed 270 days. The maturity of repurchase agreements cannot exceed 30 days and the securities delivered pursuant to the agreement cannot exceed 10 years.

All investments held in the portfolio at June 30, 2017 mature within one year.

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(4) Advance Participant Deposits

Advance Participant Deposits represents cash received by the Fund after close of business, which has not yet been invested or credited to the participants' accounts.

(5) Units Outstanding

In accordance with State Investment Council Regulations, units of ownership in the Fund may be purchased or redeemed on any business day (excluding State holidays) at the unit cost or value of \$1.00. Investment income and net realized gains and losses on investments are distributed daily in the form of additional whole units at the current day's net asset value. Fractional units are included in the succeeding day's distribution.

The Fund values participants' shares on a fair value basis. Specifically, the Fund distributes income to participants on a daily basis based on (1) realized investment gains and losses calculated at market (and added to the Reserve Fund for the pro-rata portion of such gains attributable to "Other-than-State" participants), (2) interest income based on stated rates, (3) amortization of discounts and premiums on a straight-line basis and (4) administrative and reserve fund fees charged only to "Other-than-State" participants.

As of June 30, 2017 and 2016, there were 14,337,785,573 and 11,845,990,427 units outstanding at a fair value per unit of \$1.00.

(6) Net Position

Net position as of June 30, 2017 and 2016 consists of the following:

	<u>2017</u>	<u>2016</u>
State participants	\$ 10,008,104,448	9,620,943,674
"Other-than-State" participants	4,282,342,194	2,180,340,784
Reserve Fund	43,979,473	43,334,668
Administrative Expense Fund	3,359,458	1,371,301
Undistributed and net unrealized (loss) gain	<u>(3,032,217)</u>	<u>3,418,212</u>
	<u>\$ 14,334,753,356</u>	<u>11,849,408,639</u>

(7) Reserve for Investment Losses and Administrative Expense Fund

"Other-than-State" participants pay a fee of one twentieth of one percent (0.05%) per year of the value of the aggregate units owned by them for the Administrative Expense Fund. This fund is used to reimburse the State of New Jersey for administrative and custodial fees of the Fund.

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“Other-than-State” participants pay a fee of one hundredth of one percent (0.01%) per year of the value of the aggregate units owned by them to a Reserve Fund. These fees are supplemented by the proportionate share of “Other-than-State” participants in any gain on investment transactions realized in the Fund. Council Regulations provide that the Reserve Fund will be charged, to the extent that funds are available, with the proportionate share of the “Other-than-State” participants for (a) any loss occasioned by the bankruptcy of an issuer of an investment held by the Fund and (b) any loss realized upon the sale of an investment by the Fund. The Reserve Fund fees are reinvested and participate in the Fund. During the fiscal years ended June 30, 2002 and June 30, 2006, the Reserve Fund was restructured pursuant to the State of New Jersey Appropriations Acts for fiscal years 2001-2002 and 2005-2006. Pursuant to these restructuring plans, investments in the amount of \$72 million and \$12 million in fiscal 2002-2003 and 2006, respectively, were released to the General Fund of the State of New Jersey. As of June 30, 2002, the State of New Jersey obtained a financial guaranty insurance policy in the amount of \$72 million, which expired on December 1, 2012. The State of New Jersey obtained a second financial guaranty insurance policy as of June 30, 2007 in the amount of \$12 million, which expired on July 1, 2016. Neither policy was renewed upon expiration based upon the balance of the reserve account which will continue to be supplemented through the continuation of the Reserve Fund fee.

As of June 30, 2017, the Reserve Fund and the Administrative Expense Fund, included in investments and net position in the accompanying financial statements, were \$43,979,473 and \$3,359,458, respectively. As of June 30, 2016, the Reserve Fund and the Administrative Expense Fund, included in the accompanying financial statements, were \$43,334,668 and \$1,371,301, respectively.

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Portfolio of Investments
June 30, 2017

Description			Principal Amount	Fair Value
United States Government Obligations:				
U.S. TREASURY NOTES				
0.50%	due	July 31, 2017	\$ 695,000,000	694,794,975
0.63%	due	July 31, 2017	493,500,000	493,401,794
0.88%	due	August 15, 2017	320,000,000	319,966,400
0.63%	due	August 31, 2017	675,000,000	674,578,125
1.00%	due	September 15, 2017	60,000,000	59,991,180
0.88%	due	October 15, 2017	65,000,000	64,960,025
0.75%	due	October 31, 2017	750,000,000	749,145,000
0.88%	due	November 15, 2017	325,000,000	324,707,500
0.88%	due	November 30, 2017	224,800,000	224,565,309
0.63%	due	November 30, 2017	275,000,000	274,432,675
1.00%	due	December 15, 2017	326,000,000	325,779,950
0.75%	due	December 31, 2017	50,000,000	49,899,750
U.S. TREASURY BILLS				
0.76%	due	July 6, 2017	75,000,000	74,995,275
0.78%	due	July 13, 2017	190,000,000	189,959,150
0.53%	due	July 20, 2017	250,000,000	249,907,750
0.79%	due	July 27, 2017	252,000,000	251,862,156
0.85%	due	August 3, 2017	75,000,000	74,944,950
0.87%	due	August 10, 2017	125,500,000	125,384,540
0.90%	due	August 17, 2017	335,000,000	334,621,450
0.87%	due	August 24, 2017	475,000,000	474,370,150
0.82%	due	August 31, 2017	75,000,000	74,886,600
0.86%	due	September 7, 2017	275,000,000	274,520,950
0.01%	due	September 14, 2017	235,000,000	234,548,565
0.94%	due	September 21, 2017	420,000,000	419,091,540
1.00%	due	October 5, 2017	500,000,000	498,675,000
1.00%	due	October 12, 2017	500,000,000	498,552,000
0.94%	due	October 19, 2017	200,000,000	199,381,600
1.00%	due	October 26, 2017	265,000,000	264,119,405
1.05%	due	November 2, 2017	200,000,000	199,293,200
1.02%	due	November 9, 2017	275,000,000	273,964,900
1.06%	due	November 16, 2017	355,000,000	353,588,520
1.08%	due	December 21, 2017	325,000,000	323,341,525
			<u>9,661,800,000</u>	<u>9,646,231,908</u>
Federal Agency Obligations:				
FEDERAL HOME LOAN BANK				
0.84%	due	July 5, 2017	25,500,000	25,498,572
0.85%	due	July 7, 2017	63,760,000	63,752,923
0.86%	due	July 12, 2017	144,600,000	144,563,850
0.93%	due	July 14, 2017	50,000,000	49,984,700
0.94%	due	July 18, 2017	100,000,000	99,958,300
0.91%	due	July 19, 2017	17,140,000	17,132,390

**DIVISION OF INVESTMENT
DEPARTMENT OF THE TREASURY
STATE OF NEW JERSEY
CASH MANAGEMENT FUND**

Portfolio of Investments

June 30, 2017

Description	Principal Amount	Fair Value
Federal Agency Obligations, continued:		
FEDERAL NATIONAL MORTGAGE ASSOCIATION		
0.87% due July 19, 2017	\$ 17,860,000	17,852,070
0.97% due August 2, 2017	170,000,000	169,855,500
	<u>588,860,000</u>	<u>588,598,305</u>
Commercial Paper:		
AMERICAN HONDA FINANCE CORP		
0.93% due July 7, 2017	35,000,000	34,992,514
1.04% due July 10, 2017	15,000,000	14,995,400
0.89% due July 12, 2017	10,600,000	10,596,092
1.14% due August 7, 2017	12,500,000	12,485,156
1.14% due August 9, 2017	18,325,000	18,302,053
1.15% due August 18, 2017	19,900,000	19,869,311
BNP PARIBAS FINANCE INC		
1.12% due July 7, 2017	3,500,000	3,499,194
1.00% due July 10, 2017	20,000,000	19,993,406
1.20% due July 28, 2017	11,700,000	11,689,089
CANADIAN IMPERIAL HOLDINGS		
1.00% due July 10, 2017	75,000,000	74,975,958
1.15% due August 11, 2017	111,200,000	111,045,877
CATERPILLAR FINANCIAL SERVICE CORP		
1.30% due August 16, 2017	79,000,000	78,847,251
GRAINGER W W INC		
1.12% due July 24, 2017	12,028,000	12,019,292
MITSUBISHI INTERNATIONAL CORP		
1.13% due July 7, 2017	75,000,000	74,982,689
1.00% due July 13, 2017	50,000,000	49,978,460
1.10% due August 11, 2017	25,000,000	24,964,358
NATIXIS		
1.18% due September 1, 2017	13,000,000	12,972,791
NESTLE CAPITAL CORP		
1.07% due July 3, 2017	43,000,000	42,996,162
0.94% due July 17, 2017	100,000,000	99,947,961
1.06% due August 1, 2017	100,000,000	99,899,289
PACCAR FINANCIAL CORP		
0.92% due July 10, 2017	5,627,000	5,625,196
0.90% due July 11, 2017	20,000,000	19,992,942
0.97% due July 11, 2017	6,782,000	6,779,607
0.94% due July 11, 2017	4,860,000	4,858,285
1.07% due July 12, 2017	22,000,000	21,991,523
1.02% due July 17, 2017	9,471,000	9,465,799
1.12% due July 27, 2017	12,891,000	12,879,630
PRAXAIR INC		
0.83% due July 17, 2017	50,000,000	49,972,541

**DIVISION OF INVESTMENT
DEPARTMENT OF THE TREASURY
STATE OF NEW JERSEY
CASH MANAGEMENT FUND**

Portfolio of Investments
June 30, 2017

Description	Principal Amount	Fair Value
Commercial Paper, continued:		
PRIVATE EXPORT FUNDING		
0.95% due August 1, 2017	\$ 50,000,000	49,947,511
1.00% due August 4, 2017	40,000,000	39,953,994
1.10% due August 25, 2017	20,000,000	19,962,760
ROYAL BANK OF CANADA		
0.84% due July 14, 2017	175,000,000	174,919,082
TOYOTA MOTOR CREDIT		
0.97% due July 19, 2017	180,000,000	179,899,110
1.00% due July 20, 2017	55,000,000	54,967,519
USAA CAPITAL CORP		
0.89% due July 6, 2017	200,000,000	199,962,700
0.94% due July 12, 2017	120,000,000	119,954,960
	<u>1,801,384,000</u>	<u>1,800,185,461</u>
Certificates of Deposit:		
BANK OF MONTREAL		
1.00% due July 7, 2017	324,000,000	323,986,327
1.20% due August 1, 2017	106,000,000	106,000,000
BANK OF TOKYO MITSUBISHI UFJ		
1.05% due July 11, 2017	150,000,000	149,993,685
CREDIT INDUSTRIEL ET COMMERCIAL		
1.05% due July 7, 2017	110,000,000	110,000,000
NORDEA BANK		
1.17% due July 28, 2017	240,000,000	240,000,000
SVENSKA HANDELSBANKEN		
1.00% due July 6, 2017	70,000,000	69,998,078
1.17% due July 28, 2017	150,000,000	149,998,884
TORONTO DOMINION BANK		
1.01% due July 3, 2017	75,000,000	75,000,000
1.16% due September 1, 2017	106,900,000	106,900,000
US BANK NA		
1.15% due September 1, 2017	190,000,000	190,008,877
WELLS FARGO & CO.		
1.22% due September 1, 2017	150,000,000	150,000,000
	<u>1,671,900,000</u>	<u>1,671,885,851</u>
Corporate Obligations:		
BRISTOL MYERS SQUIBB CO		
0.88% due August 1, 2017	52,000,000	51,983,568
CHEVRON CORP		
1.34% due November 9, 2017	25,000,000	24,995,625
1.10% due December 5, 2017	25,000,000	24,985,450
1.37% due March 2, 2018	60,000,000	59,984,640

**DIVISION OF INVESTMENT
DEPARTMENT OF THE TREASURY
STATE OF NEW JERSEY
CASH MANAGEMENT FUND**

Portfolio of Investments
June 30, 2017

Description	Principal Amount	Fair Value
Corporate Obligations, continued:		
CISCO SYSTEMS INC		
1.40% due February 28, 2018	\$ 10,500,000	10,501,575
COMCAST CORP		
6.30% due November 15, 2017	11,250,000	11,443,815
COMMONWEALTH EDISON CO		
6.15% due September 15, 2017	29,307,000	29,572,375
5.80% due March 15, 2018	28,000,000	28,794,640
GENERAL DYNAMICS CORP		
1.00% due November 15, 2017	42,000,000	41,953,674
INTERNATIONAL BUSINESS MACHINE CORP		
1.25% due February 8, 2018	30,000,000	29,988,600
INTEL CORP		
1.35% due December 15, 2017	81,000,000	80,980,155
JOHN DEERE CAPITAL CORP		
1.55% due December 15, 2017	15,000,000	15,010,155
5.35% due April 3, 2018	25,000,000	25,742,600
JOHNSON + JOHNSON		
5.55% due August 15, 2017	21,000,000	21,101,136
JP MORGAN CHASE CO		
2.00% due August 15, 2017	10,000,000	10,007,140
KIMBERLY CLARK CORP		
6.13% due August 1, 2017	20,000,000	20,064,580
MERCK + CO INC		
1.10% due January 31, 2018	36,000,000	35,965,692
MICROSOFT CORP		
0.88% due November 15, 2017	10,000,000	9,986,160
PHILIP MORRIS INTERNATIONAL INC		
1.13% due August 21, 2017	20,000,000	19,992,340
5.65% due May 16, 2018	25,000,000	25,860,050
SHERWIN WILLIAMS CO		
1.35% due December 15, 2017	25,000,000	24,962,450
WALT DISNEY COMPANY/THE		
1.10% due December 1, 2017	12,500,000	12,481,500
	<u>613,557,000</u>	<u>616,357,920</u>
Total	\$ <u>14,337,501,000</u>	\$ <u>14,323,259,444</u>
Total fair value of investments		\$ 14,323,259,444
Total cost of investments		<u>14,326,291,661</u>
Net unrealized depreciation as of end of year		\$ <u>(3,032,217)</u>